

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

April 20, 2018

**Committee
Report No.** _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on March 27, 2018, makes reference to the following:

1. County Communication 18-92, from the Economic Development Director, relating to the Fiscal Year ("FY") 2018 Budget proviso for Ka`ehu Bay under the grant for Environmental Protection.
2. A Miscellaneous Communication, dated March 9, 2018, from the County Clerk, referring Grant G4612, between the County of Maui and Ka`ehu, for the Ka`ehu Management Project.

By correspondence dated March 14, 2018, the Economic Development Director transmitted a proposed resolution entitled "APPROVING THE EXPENDITURE OF THE FISCAL YEAR 2018 BUDGET APPROPRIATION FOR IMPROVEMENTS OF ACCESS ROADS AT THE KAEHU BAY PROPERTY."

The purpose of the proposed resolution is to approve the expenditure of FY 2018 funds in the amount of \$12,000 for improvements of access roads at the Ka`ehu Bay property identified as tax map key (2) 3-3-001:001.

Your Committee notes the County acquired the Ka`ehu Bay property as a result of a foreclosure process. However, concerns arose regarding title to the property. To ensure the continued oversight of these concerns, the Council added a proviso to the FY 2018 Budget to require that the Council review and adopt a resolution prior to expenditure of funds for Ka`ehu Bay.

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Your Committee further notes the FY 2018 Budget includes an appropriation of \$75,000 for the Management of Ka`ehu Bay and a proviso that reads, "Provided, that \$63,000 shall be for the management of Ka`ehu Bay and \$12,000 shall be for improvements of access roads at the Ka`ehu Bay property and any proposal shall be reviewed by the appropriate Council committee, and approved by Council resolution."

A representative from the Office of the Mayor reported that \$75,000 was encumbered from Grant G4612 to Ka`ehu. Of the \$63,000 appropriated for the management of Ka`ehu Bay, \$51,500 has been expended, to date, but the \$12,000 appropriated for road improvements have not been expended, according to the Budget Director.

Your Committee asserted the use of the funds should have been approved by the Council prior to executing the grant.

A representative from the Office of the Mayor said he and his colleagues misinterpreted the proviso language to mean only the \$12,000 for access road improvements needed Council approval, and not the \$63,000 for management.

Your Committee requested that language used in provisos must clearly express the intent and purpose of the expenditure. Your Committee will consult with the Department of the Corporation Counsel to ensure future provisos are unambiguous.

The Director of Public Works said the condition of the road makes it difficult for families living in the area and other vehicles to access the Ka`ehu Bay property. He said the improvements to the access road consist mostly of filling in mudholes, and the work should take the Department a few days to complete.

The Director said the Department will charge Ka`ehu for the labor and materials used to improve the access road, which amounts to approximately \$12,000. The Department will ensure the project's costs stay within the allotted budget.

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The president of Ka`ehu said some community members do not want Ka`ehu working on the Ka`ehu Bay property because of the concerns regarding the property's title. However, he said restoration of the property remains Ka`ehu's top priority, and he hopes to have a management plan for the property finalized by the end of the year.

Your Committee stated if title of the parcel is still questionable, the aggrieved party should seek a judicial decision on the matter.

Your Committee voted 6-0 to recommend adoption of the proposed resolution and filing of the communications. Committee Chair Hokama and members Atay, Carroll, Crivello, Guzman, and Sugimura voted "aye." Committee Vice-Chair White and members Cochran and King were excused.

Your Committee is in receipt of a revised proposed resolution, entitled "APPROVING THE EXPENDITURE OF THE FISCAL YEAR 2018 BUDGET APPROPRIATION FOR IMPROVEMENTS OF ACCESS ROADS AT THE KA`EHU BAY PROPERTY," approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

Your Budget and Finance Committee RECOMMENDS the following:

1. That Resolution _____, attached hereto, entitled "APPROVING THE EXPENDITURE OF THE FISCAL YEAR 2018 BUDGET APPROPRIATION FOR IMPROVEMENTS OF ACCESS ROADS AT THE KA`EHU BAY PROPERTY," be ADOPTED;
2. That County Communication 18-92 be FILED; and
3. That the Miscellaneous Communication be FILED.

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This report is submitted in accordance with Rule 8 of the Rules of the Council.



RIKI HOKAMA, Chair

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Resolution

No. _____

APPROVING THE EXPENDITURE OF THE
FISCAL YEAR 2018 BUDGET APPROPRIATION FOR IMPROVEMENTS
OF ACCESS ROADS AT THE KA`EHU BAY PROPERTY

WHEREAS, the County of Maui acquired the 64-acre coastal parcel at Ka`ehu Bay, TMK: (2) 3-3-001:001, in 2012 with the help of Trust for Public Land as a community asset for the purpose of conservation, preservation, and restoration; and

WHEREAS, the Maui County Council initially approved a grant for the community group *Ke Ao I Ka Makani Ho`eha`ili* with the proviso that funding not be released until the group received federal non-profit status; and

WHEREAS, the community group attained non-profit status and has since simplified the organization's name to "Ka`ehu"; and

WHEREAS, Ka`ehu, stewards of the land, have regularly hosted organizations and volunteer groups to further conservation efforts on the land; and

WHEREAS, Ka`ehu continues its management of the subject property through *kalo lo`i* and *auwai* restoration and maintenance, rubbish removal, beach clean ups, trimming of vegetation, instructional workshops, planning forums, and other community and volunteer events; and

WHEREAS, the Fiscal Year 2018 Budget contained a \$12,000 appropriation for improvements of access roads at the Ka`ehu Bay property; and

WHEREAS, the Department of Public Works, Highways Division has conducted site visits to the Ka`ehu Bay property to determine the necessary roadway improvements; and

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WHEREAS, the proposed roadway improvements include filling the low spots of the road with aggregate, placing an overlay with cold plane, then applying a slurry treatment as a binder to improve roadway conditions and drainage at the Kaae Road terminus; and

WHEREAS, any proposal for expenditure of the appropriation requires Council approval by Resolution; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it does hereby approve the expenditure of the Fiscal Year 2018 Budget appropriation of \$12,000 for the roadway improvements at the Kaae Road terminus.

2. That it does hereby authorize the Mayor of the County of Maui to execute all necessary documents in connection with said roadway improvements.

3. That certified copies of this resolution be transmitted to the Mayor, the Director of Finance, the Director of Public Works, and the Office of Economic Development.

APPROVED AS TO FORM
AND LEGALITY:



JEFF UEOKA
Deputy Corporation Counsel
County of Maui
2018-0271/2017-0093
2018-04-03 Revised Resolution